



May 2, 2024

Dear Yacht Club Owners,

Attached is a copy of the 2024-25 Yacht Club Budget. The budget includes an 18% increase in operating expenses from the past fiscal year. A few reasons for this increase are noted below.

Insurance costs for HOA's continue to increase, especially in Colorado where several carriers have left the market altogether or are no longer insuring HOAs.

Contracted services for cable & internet, trash removal, snow removal, and management and landscaping are also increasing this year.

The new budget captures the allocated interest for Unit 37. There obviously is no Unit 37. Our best understanding after conducting extensive research is that Unit 37 has never existed but has always served as our laundry room, former spa, and storage area. However, because Unit 37 was assigned a percentage as part of unit allocation, we will track this in our budget as a line item. In the simplest of terms, we will all pay a small portion of Unit 37's allocation for what is now a de facto common element area.

During the Declaration revision and budget process, we discovered that the allocated interest assigned to each unit used for billing is not in alignment with the allocated interests of our Declarations. We consulted with our attorney about this and were advised we must correct the billing moving forward. We have no wiggle room on this issue as we have no choice but to adhere to our current Declarations. When and why the decision to deviate was made is a mystery. However, we are not permitted by law to continue to act in ignorance once an error is discovered or put simply the argument "we have always done it this way" will not hold up to legal scrutiny.

The allocated interest discovery will financially impact owners as assessments are corrected to the Declaration's allocated interest. Some interests are decreasing, while others are increasing. On the second sheet of the budget, you will see how this will impact your unit. There is a column showing the old allocated interest previously used, and the correct allocated interest from the Declaration, as well as the assessments for the new fiscal year.

Please note, changing the allocated interests of the units in the Declaration would require 100% approval of the unit owners, something unlikely to achieve.

We understand owners might have questions about these changes, and we have scheduled a budget ratification meeting for Thursday, May 9th at 5pm via Zoom (link below), during which time we can address questions about the budget, Unit 37, or the allocated interests.

<https://us02web.zoom.us/j/81318038877?pwd=RjVOd1krRSt5QzVXSklXWGt4dHczdz09>

Sincerely,

Yacht Club Board of Directors

**Yacht Club Condominiums  
2024-25 Budget**

	May	June	July	August	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	Proposed 24-25	2023-24 Budget	\$ Change	% Change	Notes
<b>500 · Operating Dues</b>	28,671.00	28,671.00	28,671.00	28,671.00	28,671.00	28,671.00	28,671.00	28,671.00	28,671.00	28,671.00	28,671.00	28,671.00	<b>344,052.00</b>	\$294,206.00	\$ 49,846.00	17%	
<b>501 · Water &amp; Sewer Assessment</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	<b>0.00</b>	\$7,102.00	\$ (7,102.00)	-100%	
<b>502 · Insurance Assessment</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	<b>0.00</b>	\$5,868.00	\$ (5,868.00)	-100%	
<b>503 · Late Fees</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	<b>0.00</b>	\$0.00	\$ -		
<b>505 · Dues to Reserve</b>	-5,790.00	-5,790.00	-5,790.00	-5,790.00	-5,790.00	-5,790.00	-5,790.00	-5,790.00	-5,790.00	-5,790.00	-5,790.00	-5,790.00	<b>-69,480.00</b>	-\$80,328.00	\$ 10,848.00	-14%	
<b>508 · Parking Permits</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	<b>0.00</b>	\$0.00	\$ -		
<b>509 · Boat/Water Craft Income</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	750.00	0.00	0.00	0.00	<b>750.00</b>	\$750.00	\$ -	0%	
<b>510 · Laundry Income</b>	87.00	87.00	87.00	87.00	87.00	87.00	87.00	87.00	87.00	87.00	87.00	87.00	<b>1,044.00</b>	\$1,440.00	\$ (396.00)	-28%	
	<b>22,968.00</b>	<b>22,968.00</b>	<b>22,968.00</b>	<b>22,968.00</b>	<b>22,968.00</b>	<b>22,968.00</b>	<b>22,968.00</b>	<b>22,968.00</b>	<b>23,718.00</b>	<b>22,968.00</b>	<b>22,968.00</b>	<b>22,968.00</b>	<b>276,366.00</b>	\$229,038.00	\$ 47,328.00	21%	
<b>Association Owned Unit "Laundry Room"</b>	438.00	438.00	438.00	438.00	438.00	438.00	438.00	438.00	438.00	438.00	438.00	438.00	<b>5,256.00</b>	\$0.00	\$ 5,256.00		
<b>Loan Shortfall</b>	904.00	904.00	904.00	904.00	904.00	904.00	904.00	904.00	904.00	904.00	904.00	904.00	<b>10,848.00</b>	\$0.00	\$ 10,848.00		
<b>600 · Legal/Professional</b>	1,500.00	1,500.00	750.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	<b>5,550.00</b>	\$2,400.00	\$ 3,150.00	131%	Finish the governing document amendment process.
<b>601 · Tax Preparation</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	420.00	0.00	0.00	0.00	0.00	<b>420.00</b>	\$420.00	\$ -	0%	No change
<b>603 · HOA State Registration Fee</b>	0.00	0.00	166.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	<b>166.00</b>	\$168.00	\$ (2.00)	-1%	No change
<b>607 · Property Management Fee</b>	4,184.00	4,184.00	4,184.00	4,184.00	4,184.00	4,184.00	4,184.00	4,184.00	4,184.00	4,184.00	4,184.00	4,184.00	<b>50,208.00</b>	\$46,560.00	\$ 3,648.00	8%	Increase starting May
<b>608 · Addl Hours - Labor/Admin</b>	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	200.00	<b>2,400.00</b>	\$3,000.00	\$ (600.00)	-20%	Decreased based on actuals
<b>621 · Insurance</b>	3,565.00	3,565.00	3,565.00	3,565.00	3,565.00	3,565.00	4,650.00	4,650.00	4,650.00	4,650.00	4,650.00	4,650.00	<b>49,290.00</b>	\$39,612.00	\$ 9,678.00	24%	We are still seeing large increases
<b>662 · Water &amp; Sewer</b>	3,551.00	3,551.00	3,551.00	3,551.00	3,551.00	3,551.00	3,551.00	3,551.00	3,551.00	3,551.00	3,551.00	3,551.00	<b>42,612.00</b>	\$42,612.00	\$ -	0%	No change
<b>663 · Cable TV</b>	4,450.00	4,450.00	4,450.00	4,450.00	4,450.00	4,450.00	4,450.00	4,450.00	4,450.00	4,672.00	4,672.00	4,672.00	<b>54,066.00</b>	\$48,744.00	\$ 5,322.00	11%	Monthly expense 4450 plus anticipated 5% increase in Feb.
<b>665 · Trash Removal</b>	600.00	600.00	600.00	600.00	600.00	600.00	600.00	630.00	630.00	630.00	630.00	630.00	<b>7,350.00</b>	\$5,170.00	\$ 2,180.00	42%	Monthly expense \$600 with anticipated 5% increase in Dec.
<b>666 · Snow Removal-Shoveling</b>	0.00	0.00	0.00	0.00	0.00	0.00	500.00	2,500.00	2,500.00	2,500.00	2,500.00	500.00	<b>11,000.00</b>	\$11,000.00	\$ -	0%	
<b>667 · Snow Removal-Heavy Equipment</b>	0.00	0.00	0.00	0.00	0.00	0.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	<b>9,000.00</b>	\$8,375.00	\$ 625.00	7%	Based on current contract rate.
<b>669 · Electric</b>	625.00	625.00	625.00	625.00	625.00	625.00	625.00	625.00	625.00	625.00	625.00	625.00	<b>7,500.00</b>	\$9,600.00	\$ (2,100.00)	-22%	Decreased based on actual expenses.
<b>671 · General Bldg Maint</b>	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	600.00	<b>7,200.00</b>	\$4,980.00	\$ 2,220.00	45%	Increased based on actual expenses.
<b>672 · Plumbing &amp; Heating</b>	0.00	0.00	0.00	0.00	0.00	500.00	500.00	500.00	500.00	0.00	0.00	0.00	<b>2,000.00</b>	\$3,000.00	\$ (1,000.00)	-33%	Decreased based on actual expenses.
<b>674 · Grounds &amp; Parking Maint</b>	0.00	2,000.00	2,000.00	2,000.00	2,000.00	0.00	400.00	400.00	400.00	400.00	400.00	0.00	<b>10,000.00</b>	\$6,000.00	\$ 4,000.00	67%	Landscape, trees, parking patrol.
<b>675 · Roof Repairs</b>	0.00	1,500.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	<b>1,500.00</b>	\$1,500.00	\$ -	0%	No change.
<b>690 · Operating Contingency</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	<b>0.00</b>	\$300.00	\$ (300.00)	-100%	
	<b>20,617.00</b>	<b>24,117.00</b>	<b>22,033.00</b>	<b>21,317.00</b>	<b>21,317.00</b>	<b>19,817.00</b>	<b>23,302.00</b>	<b>25,752.00</b>	<b>25,332.00</b>	<b>25,054.00</b>	<b>25,054.00</b>	<b>22,654.00</b>	<b>276,366.00</b>	<b>\$233,441.00</b>	<b>\$ 42,925.00</b>	<b>18%</b>	
	<b>\$2,351.00</b>	<b>-\$1,149.00</b>	<b>\$935.00</b>	<b>\$1,651.00</b>	<b>\$1,651.00</b>	<b>\$3,151.00</b>	<b>-\$334.00</b>	<b>-\$2,784.00</b>	<b>-\$1,614.00</b>	<b>-\$2,086.00</b>	<b>-\$2,086.00</b>	<b>\$314.00</b>	<b>\$0.00</b>	<b>(4,403.00)</b>			

Unit	Previous Allocated Interest	Correct Allocated Interest	Change in Allocated Interest	Assessment 2024 -25	Assessment 2023 -24	Difference
Unit 1	0.0259817	0.02777778	0.00179611	\$ 796.42	\$ 665.08	\$ 131.34
Unit 2	0.0259817	0.02777778	0.00179611	\$ 796.42	\$ 665.08	\$ 131.34
Unit 3	0.0259817	0.02777778	0.00179611	\$ 796.42	\$ 665.08	\$ 131.34
Unit 4	0.0259817	0.02777778	0.00179611	\$ 796.42	\$ 665.08	\$ 131.34
Unit 5	0.0259817	0.02777778	0.00179611	\$ 796.42	\$ 665.08	\$ 131.34
Unit 6	0.0259817	0.02777778	0.00179611	\$ 796.42	\$ 665.08	\$ 131.34
Unit 7	0.0259817	0.02777778	0.00179611	\$ 796.42	\$ 665.08	\$ 131.34
Unit 8	0.0259817	0.02777778	0.00179611	\$ 796.42	\$ 665.08	\$ 131.34
Unit 9	0.0166174	0.0138889	-0.0027285	\$ 398.21	\$ 425.37	\$ (27.16)
Unit 10	0.0166174	0.0138889	-0.0027285	\$ 398.21	\$ 425.37	\$ (27.16)
Unit 11	0.0166174	0.0138889	-0.0027285	\$ 398.21	\$ 425.37	\$ (27.16)
Unit 12	0.0166174	0.0138889	-0.0027285	\$ 398.21	\$ 425.37	\$ (27.16)
Unit 13	0.0166174	0.0138889	-0.0027285	\$ 398.21	\$ 425.37	\$ (27.16)
Unit 14	0.0166174	0.0138889	-0.0027285	\$ 398.21	\$ 425.37	\$ (27.16)
Unit 15	0.0166174	0.0138889	-0.0027285	\$ 398.21	\$ 425.37	\$ (27.16)
Unit 16	0.0166174	0.0138889	-0.0027285	\$ 398.21	\$ 425.37	\$ (27.16)
Unit 17	0.0166174	0.0138889	-0.0027285	\$ 398.21	\$ 425.37	\$ (27.16)
Unit 18	0.0166174	0.0138889	-0.0027285	\$ 398.21	\$ 425.37	\$ (27.16)
Unit 19	0.0259817	0.02777778	0.00179613	\$ 796.42	\$ 665.08	\$ 131.34
Unit 20	0.0259817	0.02777778	0.00179613	\$ 796.42	\$ 665.08	\$ 131.34
Unit 21	0.0259817	0.02777778	0.00179613	\$ 796.42	\$ 665.08	\$ 131.34
Unit 22	0.0259817	0.02777778	0.00179613	\$ 796.42	\$ 665.08	\$ 131.34
Unit 23	0.0259817	0.02777778	0.00179613	\$ 796.42	\$ 665.08	\$ 131.34
Unit 24	0.0259817	0.02777778	0.00179613	\$ 796.42	\$ 665.08	\$ 131.34
Unit 25	0.0166174	0.0138889	-0.0027285	\$ 398.21	\$ 425.37	\$ (27.16)
Unit 26	0.0166174	0.0138889	-0.0027285	\$ 398.21	\$ 425.37	\$ (27.16)
Unit 27	0.0166174	0.0138889	-0.0027285	\$ 398.21	\$ 425.37	\$ (27.16)
Unit 28	0.0166174	0.0138889	-0.0027285	\$ 398.21	\$ 425.37	\$ (27.16)
Unit 29	0.0166174	0.0138889	-0.0027285	\$ 398.21	\$ 425.37	\$ (27.16)
Unit 30	0.0166174	0.0138889	-0.0027285	\$ 398.21	\$ 425.37	\$ (27.16)
Unit 31	0.0166174	0.0138889	-0.0027285	\$ 398.21	\$ 425.37	\$ (27.16)
Unit 32	0.0166174	0.0138889	-0.0027285	\$ 398.21	\$ 425.37	\$ (27.16)
Unit 33	0.0166174	0.0138889	-0.0027285	\$ 398.21	\$ 425.37	\$ (27.16)
Unit 34	0.0166174	0.0138889	-0.0027285	\$ 398.21	\$ 425.37	\$ (27.16)
Unit 35	0.0166174	0.01566667	-0.0009507	\$ 449.18	\$ 425.37	\$ 23.81
Unit 36	0.0166174	0.01566667	-0.0009507	\$ 449.18	\$ 425.37	\$ 23.81
Unit 37		0.01533333	0.01533333	\$ 439.62		\$ 439.62
Unit 38	0.0166174	0.01566667	-0.0009507	\$ 449.18	\$ 425.37	\$ 23.81
Unit 39	0.0166174	0.01566667	-0.0009507	\$ 449.18	\$ 425.37	\$ 23.81
Unit 40	0.0166174	0.017	0.00038258	\$ 487.41	\$ 425.37	\$ 62.03
Unit 41	0.0166174	0.017	0.00038258	\$ 487.41	\$ 425.37	\$ 62.03
Unit 42	0.0223474	0.02366667	0.00131927	\$ 678.55	\$ 572.05	\$ 106.50
Unit 43	0.0166174	0.017	0.00038258	\$ 487.41	\$ 425.37	\$ 62.03
Unit 44	0.0166174	0.017	0.00038258	\$ 487.41	\$ 425.37	\$ 62.03
Unit 45	0.0259817	0.02833333	0.00235166	\$ 812.34	\$ 665.08	\$ 147.27
Unit 46	0.0259817	0.02833333	0.00235166	\$ 812.34	\$ 665.08	\$ 147.27
Unit 47	0.0223474	0.02466667	0.00231927	\$ 707.22	\$ 572.05	\$ 135.17
Unit 48	0.0259817	0.02833333	0.00235166	\$ 812.34	\$ 665.08	\$ 147.27
Unit 49	0.0259817	0.02833333	0.00235166	\$ 812.34	\$ 665.08	\$ 147.27
Unit 50	0.0223474	0.02566667	0.00331927	\$ 735.89	\$ 572.05	\$ 163.84